

SEP 23 1941

# The MORTGAGE BANKER

VOL. III—NO. 18



SEPTEMBER 15, 1941

## DIRECTS CONVENTION



DEAN R. HILL

As president of the Mortgage Bankers Association of America, Dean R. Hill of Buffalo will preside at the general sessions of the Convention. In 1940-41, under Mr. Hill's administration the Association has experienced a continuation of the growth of recent years and its membership now stands at the highest in history.

Tentative Program	
<i>for the</i>	
<i>28th Annual Convention</i>	
<b>MORTGAGE BANKERS ASSOCIATION OF AMERICA</b>	
<b>Hotel Roosevelt, New York, October 1-2-3</b>	
<b>WEDNESDAY, OCTOBER 1, 1941</b>	
10:00 A.M.	
Call to Order .....	Dean R. Hill
President, Mortgage Bankers Association of America	
President, Hill Mortgage Corporation, Buffalo, New York	
Group Singing—"America" .....	Assembly
10:05 A.M.	
Invocation .....	
10:10 A.M.	
Greetings from the City of New York	

(Continued next page)

## YOUR GUIDE IS "THE HOST"

The official guide book for what to see and do in New York, where to dine, etc., is the regular magazine *The Host*, published by the New York Convention and Publicity Bureau. You'll get a special MBA Convention number in New York. It will be a useful convenient guide for you while you're attending the Convention.

10:20 A.M.

Remarks ..... R. B. Hassett  
 Chairman, Convention Program Committee  
 President, Hassett Investment Corporation, Detroit

10:30 A.M.

Annual Presidential Address ..... Dean R. Hill

11:00 A.M.

Address ..... Lewis W. Douglas  
 President, The Mutual Life Insurance Company  
 of New York

11:40 A.M.

Committee Reports

12:00 Noon

Adjournment

12:30 P.M.

State and Local Associations Luncheon (For Presidents  
 and Secretaries of MBA Chapters. Guy T. O. Hollyday  
 of Baltimore, Chairman) ..... Hotel Roosevelt

2:00 P.M.

Clinic Meeting ..... Hotel Roosevelt  
 Directed by W. A. Clarke,  
 President, W. A. Clarke Mortgage Company,  
 Philadelphia, Pennsylvania  
*(See special announcement on page 6)*

6:30 P.M.

Smoker and Buffet Dinner ..... Hotel Roosevelt  
 Ballroom*(Continued next page)*

## SLATED FOR ELECTION



FREDERICK P. CHAMP

Frederick P. Champ of Logan, Utah is the official nominee for MBA president for the 1941-42 term and will be voted on at the annual meeting on the last day of the Convention. This year Mr. Champ has served as vice president and has been active in the affairs of MBA's Farm Mortgage Committee.

WALLACE W. TRUE TO SPEAK  
AT THURSDAY CLINIC

Wallace W. True, assistant chief appraiser of The Equitable Life Assurance Society of the United States, will speak on Thursday at the Conventional Loans Clinic. In the last issue we announced the fourteen questions to be reviewed at this session and question four showed only Charles H. Sill of Detroit as speaker. Mr. True will handle this question jointly with Mr. Sill.

It is concerned with the proper capitalization rate in computing the valuation of income property and the speakers will tell their views on proper rates for new and modern unfurnished apartments of twelve units or more, suburban "hot spot" retail stores leased to chains and those leased to local merchants.

Mr. True is of course no stranger to MBA. Members will recall his address on industrial loans at the Detroit Convention.

**THURSDAY, OCTOBER 2, 1941**

The entire second day of the Convention will be devoted to an MBA Clinic on *Conventional Loans* to be directed by Paul J. Vollmar, manager of the mortgage loan and real estate departments of The Western and Southern Life Insurance Company of Cincinnati. In the last issue of *The Mortgage Banker* we published the list of 14 principal topics up for review at this Clinic and the more than twenty speakers who will deliver prepared addresses. The guest speaker on the program will be the Hon. John A. Lloyd, superintendent of insurance of Ohio, who will speak at approximately 11 o'clock on "Mortgage Problems That Should Be Considered by the Producer." The meeting will open at 10 and adjourn for lunch at 1 P.M. It will reconvene at 2 and continue until the program has been completed.

**FRIDAY, OCTOBER 3, 1941**

10:00 A.M.

Call to Order ..... Dean R. Hill

10:05 A.M.

"Defense Housing" ..... Charles F. Palmer  
Coordinator of Defense Housing

10:40 A.M.

"The Attitude of Supervisory Officials Toward Mort-  
gages" ..... George S. Van Schaick  
Vice President in charge of Mortgage Loan  
and Real Estate Departments  
New York Life Insurance Company

11:15 A.M.

"Current Economic Conditions and Tendencies"  
..... Virgil Jordan  
President, National Industrial Conference Board

11:45 A.M.

Committee Reports

Note: The Annual Business Session will be held  
during the morning session.

7:30 P.M.

Annual Banquet and Ball

**SLATED FOR ELECTION**



**CHARLES A. MULLENIX**

Charles A. Mullenix of Cleveland, now Regional Vice President for the Central Area, is the official nominee for Vice President for the new term. Mr. Mullenix has been active this year in various Association posts and particularly in behalf of MBA state and local associations.

**REMEMBER**

*It's for*

**MEMBERS**

**ONLY**

*and their invited guests*

If you want your friends to attend MBA's big New York Convention, be sure to write the National office today so that special invitations from President Dean R. Hill can be extended.

**YOUR SPARE TIME IN N. Y.**

It almost seems a waste of paper—and your time—to even bother mentioning what you can do and see in New York while you are attending the Convention. Everyone knows it is the one place to see all the new shows—and do about everything else that isn't available to you in your own city. We might mention a few things, however, and then say that when you register you will receive a special MBA Convention issue of *The Host* which will give you every entertainment fact you want. It will be complete and up-to-date.

**BALL GAMES**

More about these later—but the first two games of the World's Series are in New York October 1st and 2nd.

**THE SHOWS**

We note that on Broadway now you can see: Gertrude Lawrence in *Lady in the Dark* (Musical play); Edmund Gwenn in *The Wookey* (Play); Boris Karloff in *Arsenic and Old Lace*; Claudia (Play); *It Happens on Ice* (Musical extravaganza); *Life with Father* (Play); *My Sister Eileen* (Comedy); Ethel Merman in *Panama Hattie* (Musical comedy); Ethel Barrymore in *The Corn Is Green* (Play); Frank Craven in *Village Green* (Comedy); *Watch on the Rhine* (Play); and many others which have opened since Labor Day.

**Who Went to the Army From Your Office?**

We are wondering how many of those million and a half young men now serving in the Army once worked in mortgage offices? How many went to Army life from your office?

We think they might appreciate receiving *The Mortgage Banker* while they are serving their country. Send us their names and their present addresses. We'll mail it without charge. These young men are making a greater sacrifice in leaving civilian life than most of us appreciate. If, through the pages of *The Mortgage Banker*, they can maintain some connection with their former work, we would like to furnish the means for them to do so. So send us any names you know today.

## **ANNOUNCING** **"Defense Housing"**

*an address by*

### **MR. CHARLES F. PALMER**

*Coordinator of Defense Housing*

*at MBA's 28th Annual Convention*

*Hotel Roosevelt • New York*

*October 1-2-3—1941*

**Mr. Palmer's address will constitute, we think, one of the most important public statements of 1941 of interest to American mortgage bankers**

One of the most important, if not the most important man, in the entire field of housing, new building and real estate financing at the present time is Mr. Palmer, the Coordinator of Defense Housing. That statement needs no interpretation. MBA members will be quick to appreciate the importance of Mr. Palmer's addition to our Convention program, particularly at this time. What he will have to say you will want to hear, because it is important to you. He hasn't yet selected the theme of his address, but we imagine that he will have something to say about priorities of building materials and other related matters about which you are all wondering a great deal these days.

Mr. Palmer's whole business career has been spent in housing and real estate. He served as chairman of the executive committee responsible for Techwood Homes in Atlanta, first U.S. slum clearance project. He was born in Grand Rapids, Mich., and his first position was with a trust company in that city. He later worked for a real estate organization in Pasadena, Calif., and saw service in the World War. After that he formed his own company in Santa Barbara, Calif., and in 1921 moved to Atlanta, Ga., where he organized Palmer, Inc. He was chairman of the Atlanta Housing Authority in 1938-1940 and president of the National Association of Housing Officials in 1940.



**MR. CHARLES F. PALMER**

### MORTGAGE BANKERS LEGION IS PROPOSED; WILL MEET IN N. Y. TO CONSIDER PLAN

A meeting to consider the formation of a new organization to be known as the Legion of Mortgage Bankers has been called for Thursday, October 2 at the Bankers Club, 120 Broadway, New York by L. E. Mahan, president, L. E. Mahan & Co. of St. Louis and a member of the MBA Board. This will be a luncheon meeting. The hour is 1 P.M.

Organization of such a group has been under discussion for some months and during that time Mr. Mahan has made a painstaking survey of those who would be eligible for membership. Any MBA member or former member who has served one full term on the Board of Governors will be eligible, it is proposed. Mr. Mahan's investigations reveal that there are about eighty eligible for membership. How many of these will be at the New York Convention is not known now, but it is believed that there will be a sufficient number to launch the new group.

The purpose behind the plan is to perfect some continuing organization of men who have served the Association in an official capacity so that MBA can continue to avail itself of their interest, experience and efforts even though they are not now members of the Board. Mr. Mahan hopes that the group will become an important arm of Association affairs not only at Conventions and Clinics but in the year-around activities as well.

Mr. Mahan wishes every member or former member who has served more than one term as governor to consider this announcement as his special invitation to attend this meeting on the second day of the Convention. It will not conflict with any other activity at that time; and members wishing to be back at Hotel Roosevelt in time for the opening of the afternoon session of the Conventional Loans Clinic will miss very little if any of the program.

### MORE RADIO BROADCAST TICKETS AVAILABLE

We've been swamped with requests for tickets to the Jessica Dragonette radio broadcast on Saturday—but have a few left. Write for yours today. And we will have a limited number for the great Fred Allen broadcast Wednesday, Oct. 1, the Eddie Cantor broadcast on Oct. 1 and the Fred Waring broadcast on Oct. 2—and will fill requests as received.

*Announcing the Addition of*

## VIRGIL JORDAN

*President*

*National Industrial Conference Board*

*to the program of our 28th*

*Annual Convention*

It is with a great deal of pride and satisfaction that we are able to announce Mr. Jordan's acceptance of our invitation to address our Convention in New York on the final day, October 3rd. He will thus share the Friday morning general session with Mr. C. F. Palmer, Coordinator of Defense Housing and Mr. George S. Van Schaick, Vice President of the New York Life Insurance Company.

Mr. Jordan is one of the four or five foremost economists in the nation and will speak on "Current Economic Conditions and Tendencies." It will have the greatest interest for all members.

Mr. Jordan is a native of New York State and graduated from the College of the City of New York. He took post-graduate work at the University of Wisconsin, Rutgers and in several European Universities. Rutgers and Union College conferred LLD degrees on him. He later became an instructor in economics at Wisconsin.

His later career includes a period as editor and special writer for *Everybody's Magazine*, after which he became chief economist for the National Industrial Conference Board as well as editor of its publications. Later he became its president, a position he now holds.

The Board is, as MBA members know, one of the principal sources of reliable facts and statistics about American economic trends and developments, and the authority and dependence which attaches to its research is in a large measure attributable to Mr. Jordan's work.



VIRGIL JORDAN

*These are the things you have been wondering about—*

**What effect will priorities of materials have on private building?**

**Will increased costs be recognized in FHA valuation policy?**

**What about urban redevelopment in the post-war period?**

*Hear these vital questions discussed at MBA's big FHA Clinic directed by*

**W. A. CLARKE, President**

W. A. Clarke Mortgage Company, Philadelphia

**Guest Speakers:**

**E. S. DRAPER, Assistant Administrator**

Federal Housing Administration  
Washington, D. C.

**CURT MACK, Director, Underwriting Division**

Federal Housing Administration  
Washington, D. C.

**Wednesday afternoon, October 1, 1941**

**H**ERE is the announcement we have been waiting for weeks to make to MBA members—our big Clinic devoted to the most important problems facing mortgage bankers today. Beside them everything else in mortgage lending today is distinctly of secondary importance.

What is the present status of the priorities question *insofar as private building is concerned*? This is the first topic for review at this meeting. As this goes to press we naturally can't tell you the specific questions that will be discussed—so indefinite is the entire picture of priorities as they apply to private building. (Indeed, before you receive this issue we believe the initial announcement from Washington will have been made in the press.)

Cost increases and FHA valuation policy? Costs are mounting but FHA has not recognized these mounting costs in their valuations. This is a subject about

which MBA members should be most fully informed.

*Urban redevelopment in the post-war period.* Here again is something of the greatest importance for the mortgage banker of today — the shape of things to come in urban development in the period after the emergency.

For timeliness and spot interest, this Clinic will exceed anything available to mortgage bankers at this time. The questions vitally affect us all. Just how are priorities going to affect you? What are you going to do about pay-outs on construction loans? How are increased costs going to affect valuations? These and many more have had you wondering these last few weeks. This Clinic is being created to supply the answers for you. Watch



W. A. CLARKE

for more information in the October 1st issue which will reach you in a few days.

# The MORTGAGE BANKER

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DEAN R. HILL.....President  
FREDERICK P. CHAMP.....Vice President  
GEORGE H. PATTERSON.....Secretary-Treasurer

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SEPTEMBER 15, 1941

## ALL ABOARD FOR MBA BIG SPECIAL TRAIN FOR NEW YORK CITY

Here's your chance to join the BIG party going to the Convention. The New York Central Railroad will run a special train, the *Mortgage Bankers Special*, on the route and schedule of the 17-hour Advance *Commodore Vanderbilt* from Chicago.

It seems that a very substantial part of our many Middle Western, Far Western and Southwestern members can easily make connections with this train—and we think they will want to.

The New York Central is sending to all members who can make connections a special folder giving all facts about the special arrangements for Chicago, St. Louis, Cincinnati, Cleveland, Detroit and Toledo and other Western, Northwestern, Southern and Southwestern cities.

Be sure you get this folder. If you haven't received it, let us know at once. We want you to have the facts on the *Mortgage Bankers Special* before you plan your itinerary.

The special train will leave Chicago at 2:30 P.M. Central Standard Time, Tuesday, September 30th and arrive in New York at 8:30 the next morning, Wednesday, October 1st. And here's more news that will save you time and trouble:

Representatives of Hotel Roosevelt will board the *Mortgage Bankers Special* at Albany and register all those who will stay at this Hotel. So when you get to New York there'll be nothing to do but go directly to your room. Your luggage will be taken directly there.

*A forum for ideas and a market place  
for the tools mortgage banking man-  
agement needs to do a good job*

## The Fifth Annual EXPOSITION of BUILDING, INDUSTRY AND SERVICES

at MBA's 28th Annual Convention

Like an outstretched hand, the Exposition will bid you welcome to "Little Old New York" and the 1941 convention of MBA. You'll find more than merchandise displayed . . . services dramatized. You'll find the picked representatives of some of America's leading institutions that serve the mortgage banking field, ready to help you solve some of your personal problems in a neighborly sort of way.

The purpose of the Exposition primarily is to foster the kind of buymanship that is the complement to the highest type of salesmanship. Every member of MBA is a buyer. The better informed he is, the greater his satisfaction over his purchases. Since his needs are manifold, it is impossible to assemble more than a handful of the products and services of which he stands in need. However, by applying the Association's own membership test of "Quality rather than quantity," we are able to present an exhibitor group that will make the 1941 Exposition an asset to every New York convention-goer.

For instance, progressive mortgage bankers today are on the alert to discover ways to increase the efficiency and lower the cost of office operation. The representatives of National Cash Register Company and Remington Rand will tell you how to reach these objectives.

Then, too, many refinements being made in appliances are of the greatest interest to property managers. You'll find them reflected in the ultra-modern products of General Electric, Frigidaire and American Stove Company.

Representatives of service institutions in the title, fire insurance and kindred fields will be available to answer questions and exchange views, mainly to give evidence of their cordial interest in your welfare.

On your behalf, we have assured those participating in the 1941 Exposition that a welcome awaited them. Wouldn't it be a fine thing if every delegate would greet the representative of every exhibitor in the manner that is becoming to those who can be mutually helpful to one another? That, incidentally, is *The American Way*.

You are cordially invited to visit the Exposition  
beginning Noon, September 30th

### WHAT ABOUT PAY-OUTS?

What will priorities in building materials do to mortgage financing? What about pay-outs on construction loans?

Practically every other mortgage problem pales into insignificance beside these two and you can be sure that those of you who attend MBA's New York Convention will hear plenty about them.

So far one MBA local chapter has acted—the Chicago MBA. Eighty-five representatives from 40 member institutions, at a luncheon meeting, thrashed out pay-out procedure on construction loans under present conditions and those that may likely develop. Members unanimously agreed that the

*Association go on record as favoring a policy of requiring that the second inspection be made (in connection with FHA loans, or the building be completed to an equivalent stage—ready for plastering—on conventional type loans) before making any pay-out on a construction loan.*

They further agreed that

*at the time of the first pay-out, evidence satisfactory to the mortgage house must be shown by the contractor that the materials required to complete the building will be delivered on the job when needed.*

It was further agreed that individual mortgage houses should determine their own requirements of "satisfactory evidence" of the contractor's ability to deliver the heating plant, plumbing fixtures, and other hardware.

Members recognize the absolute necessity of uniform practice in connection with pay-out procedure on an exceptionally careful and conservative basis during these unusual times.

Some members called attention to the fact that one thing needed was a somewhat more prompt inspection by FHA of this type of loan. The Chicago chapter's FHA committee is conferring with local FHA officials to see what can be done about it.

Detroit MBA members on September 11th heard Edmund Kuhlman, executive vice president of the Builders Association of Metropolitan Detroit, give an address on How Priorities Will Generally Affect Residential Construction in Metropolitan Detroit. Mr. Kuhlman had been in Washington conferring with federal officials on the subject.

### ANNOUNCING

## "Mortgage Problems That Should Be Considered by the Producer"

*an address by*

**HON. JOHN A. LLOYD**

*Superintendent of Insurance for Ohio*

*at MBA's 28th Annual Convention*

*Hotel Roosevelt • New York*

**October 1-2-3—1941**

*Mr. Lloyd's address will be a feature of the Clinic on Conventional Loans conducted by Paul J. Vollmar of The Western and Southern*

In the September 1st issue we announced the 14 principal questions up for discussion at the Conventional Loans Clinic on October 2nd and the speakers who will present prepared addresses on each one. In addition, we shall have the privilege of presenting on this program one guest speaker, Mr. John A. Lloyd.

Mr. Lloyd is a native of Ohio. He was born in Jackson, went to school in Columbus and Chillicothe and later to Ohio State University. He has been in newspaper work, first as a reporter in Chillicothe and Portsmouth and later as managing editor of a daily in the latter city. He was elected to the Ohio State Senate in 1930 and re-elected in 1932 and 1934. He became secretary of the Ohio Association of Insurance Agents in 1933 and resigned six years later to assume his present position as Superintendent of Insurance in Ohio.

Mr. Lloyd will address the Convention on an important subject and one on which he is well qualified to speak with authority and experience. It is another feature of this streamlined 28th MBA Convention program we know you are going to like.



**JOHN A. LLOYD**

